

BITCOIN Your Way to Wealth and Power

Tor, Silk Road, BITCOIN Reveal How to Get PRIVATE MONEY and KEEP It

Copyright © 19 August 2011 by Bob Hurt. All Rights Reserved.

Crummey Money



Article I Section 10 of the US Constitution provides that "No State shall make any Thing but gold and silver Coin a Tender in Payment of Debts."

You might not have noticed, but state governments ignore that mandate because the US Congress declared the [US Dollar](#) in the form of [Federal Reserve Notes](#) (FRNs) legal tender in spite of the fact that you cannot redeem them for gold or silver coin, and government does not any longer

circulate gold or silver coins nor coins containing gold or silver, except numismatically. Why don't people use those numismatic gold and silver coins for commerce? See this [blog entry](#). There I explain that the courts interpret any dollar as merely a dollar. That is, a silver eagle dollar equals a federal reserve note dollar officially, according to the U.S. 5th Circuit Court of Appeal ruling in [Crummy v Klein](#).

Why does this matter? Because incessant deficit spending by Congress and bloating the money supply by the Federal Reserve (which injected \$16 trillion into the economy through loans to foreign and domestic banks since 2007) over the decades has diminished the value of FRNs to a [fraction](#) of the value of a Silver Eagle. Today a FRN dollar has a value only 1/42 of a Silver Eagle's value, if you can even find a Silver Eagle to buy. Six years ago the FRN had a value 1/5 of the Silver Eagle's value. That means the FRN dollar has suffered a 950% devaluation because of the Congressional spending and the Fed. Government and Bank-authored bailouts have destroyed our currency value, and that has destroyed equity in homes and the value of savings, leaving America and Americans broke and largely devoid of their "nest eggs."



You might recall that the US dollar (FRN) has no gold or silver backing. That means you cannot redeem it for gold or silver at a Federal Reserve Bank or the US Treasury. You can redeem it for "lawful money" in the form of pennies, nickels, dimes, quarters, and



half dollars. A penny weighs 2.5 grams, about 1/10 ounce, so an ounce of pennies will cost you ten cents, or you could get ten ounces for a dollar or 10 pounds for \$16.00 (FRN). Scrap copper [sells](#) for \$40 per ten pounds. So you can easily double your money by buying pennies and selling them to scrap copper buyers.

Except for one problem. The [US Mint](#) doesn't make pennies from copper any more. It makes them from copper-clad (2.5%) zinc, and scrap zinc goes for

only \$1 a pound. And it makes a nickel from 25% nickel and the rest copper. So 10 pounds of pennies only has a scrap value of \$10.40, only 65% of the cost of the pennies. Nickel at \$10 a pound puts the scrap value of US minted nickel coins at \$85 for 10 pounds. Nickels weigh 5 grams, so 907 of them weigh 10 pounds and at a nickel each, cost \$45. Again, it makes no sense to buy them and sell them as scrap.

Thus, the US Mint continually adjusts the metal content of our coins to make them worth less than the scrap value of the metal they contain. And, we simply cannot beat inflation by saving US money, except by buying minted gold and silver US coins. Unless we own shares in a mine, we're fucked financially. Thank you, Congress.

I see one bright spot only. You can use the disparity of the FRN dollar value to the Silver Eagle dollar value to your advantage in only one way that I know of. Do all of your selling transactions in US minted gold and silver coins and declare the face value of those coins on your income tax forms as taxable income. Do all of your buying transactions in FRNs, and use their face value on your income tax forms as tax deductions. Then go ahead and sign up for welfare and food stamps because you'll qualify.

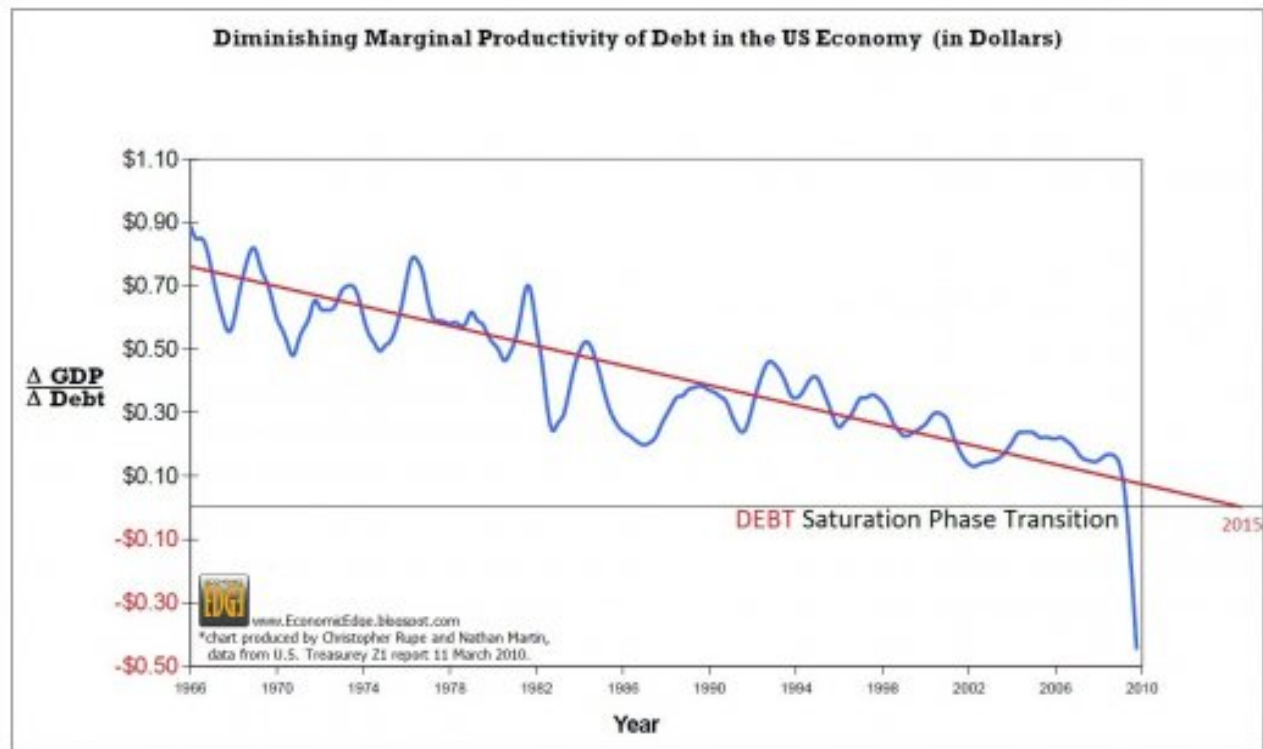
For more on US money, watch this [interview](#) of Harvard-educated law scholar [Dr. Edwin Vieira](#).

Debt and the Money Supply

The chart that follows shows the effect of inflating the money supply with deficit spending and low cost gifts or loans by the FED and Congress to bail out the financial industry and its insurers. As dollars diminish in value, each dollar injected into the economy through debt (spending above income) results in fewer jobs and less productivity than previously. This causes a decline in the GDP unless money issuers inject proportionately **more** money into the economy through debt.

In other words, borrowed money produces ever fewer jobs than earned money does until money injection reaches the point of debt saturation. After that, every dollar injected into the economy causes ***increased loss of jobs***.

For more on this, see Professor Antal Fekete's article on the [Marginal Productivity of Debt](#).



Foreclosure Defense Scam and Financial Crisis

You might know that I have focused on mortgage foreclosure defense studies for the past three years. As a consequence I have concluded that most defense attorneys in that industry cheat their clients and commit malpractice by dragging out the foreclosure when they should attack the appraisal fraud and other torts and contract breaches underlying the mortgage.



I also learned that the foreclosure pandemic arose as a consequence of decades of over-appraising as realtors, mortgage brokers, and sellers jacked realty prices ever higher, claiming "market" value determines prices. They refuse to acknowledge today that they engage in price gouging, even though foreclosure auctions bring 1/5 to 1/6 of the 2005 house price. Mortgage brokers refuse to admit that they routinely falsified family income, elevating it to make prospective unqualified

home buyers seem financially worthy. As a consequence of these crimes, predatory lending collapsed the realty prices, destroyed homeowner equity, caused massive job loss broadly across America and throughout the Western world, and precipitated trillions of dollars in bailouts of insurance and banking corporations by Congress and the Federal Reserve.

Worst of all, government encouraged the misdeeds that caused the crisis. You might recall the efforts of Bill Clinton and George W Bush to ensure that everyone gets a house. If you don't, read the [Financial Crisis Inquiry Commission's Report](#).

The Crucial Importance of Virtual Currency

So you see that the US Government caused and continues to cause the destruction of the value of money and real estate holdings. And that destruction of money forces state governments to violate the US Constitution's mandate to use gold and silver coin as legal tender for paying debts. Thus lawlessness seems to have become law.

Pundits claim that the productivity of the American People back the Federal Reserve Notes, the universal medium of exchange in the USA. Wikipedia's article, linked above, claims the assets of the Federal Reserve back it. In reality, since you cannot redeem it for minerals equal to it in value, only the world's faith in it gives it the value people perceive it as having. When the FED or government puts more into circulation, its value goes down. It has the nature of FIAT currency, established by decree of Congress and not by its intrinsic value. You might say it has no more value than the cost of paper, printing, and distribution.

So, naturally, people have lost faith in government as creator and manager of money. And people increasingly lose faith in the US Dollar because Congress and the [Bureau of Public Debt](#) have borrowed America into oblivion, inflating the money supply, and deflating the value of the dollar.. How could Monopoly (the game) money disappoint the people more than FRNs have?

Stop and think how the foregoing realities affect your life and prosperity, and your plans for future prosperity, college for the kids, and your retirement. If money becomes worth ever less, how do you benefit from saving it in a bank account? If your money diminishes in value the longer you save it in a bank or a rathole in your wall, how should you invest it so you can watch it grow from interest or usage earnings? If government agents or other thieves can rob your physical mineral wealth from a bank vault or safety deposit box, where can you hide it for safekeeping? How can you become the master instead of the slave, financially when you remain hog-tied to a failing currency and the impossibility of defending physical wealth?

Why shouldn't the people resort to creating and using their own currency that has nothing backing it but its own scarcity and buying power? And since government has not yet managed totally to invade cyberspace, why shouldn't the people develop and use a virtual currency in cyberspace? Why shouldn't people develop a way to prevent the IRS and other government agencies from knowing every financial transaction the people make, so as to tax the people into the hell of poverty, dependency, economic micromanagement, and financial slavery to filthy rich banking families?

Good questions.

Answer: People have done precisely that, as I explain in the following paragraphs.

Private Money - Three Items for Your Radar:

1. **TOR** – this universal anonymity service lets you browse without others capturing your IP address. Installation? *Uber-einfach*. Just download, unpack to USB or hard drive, run TOR, then browse with Firefox portable. Its portability lets you browse without detection or traces on any PC.

- GET IT AND USE IT from <https://www.torproject.org>
- [Why](#) -
- [Where](#) -
- [Who](#) -



2. **Silk Road** – a USE of TOR for drug trafficking. Yeah, I know, we don't use drugs. But, forewarned = forearmed. Drug traffickers' safe and continued use of TOR proves that you [Whistleblowers and political activists](#) may safely use it. I know you don't want to buy illegal drugs. But maybe you want to see the proof with your own eyes, and not merely take my word for it. For curiosity's sake and academic reasons only, you may contact Silk Road through TOR, free from government's prying eyes (you must install and browse through TOR).



- See Silk Road: <http://ianxz6zefk72ulzz.onion/>
- There you will encounter a somewhat new currency symbol: ₿. What does it mean? It means BITCOIN.

3. **BITCOIN** – a new virtual (digital) currency that operates without government control or issue authority (don't worry, control will soon arrive).



- With enough computer hardware and software you can create BITCOINs, but normally you get them in trade, and you can actually buy drugs from them on the SILK ROAD above. I mention the drugs only as an example of use.
- BITCOINs operate similarly to [QQ Coins](#). Tencent released QQ chat software over a decade ago, and issued digital coins as awards for gamers. Soon people started selling items on line for QQ coins. Tencent actually minted the coins and did over \$800 million in business with them, flouting Far East government efforts to crush the unauthorized virtual currency.
- Now many people have begun to trade BITCOINs. Expanding their use might frustrate the IRS effort to steal Americans blind. So far, government has no clear and easy way to track BITCOIN transactions to people. So if you earn a million BITCOINs, how will the IRS know? Who says attorneys and prostitutes can't contract with clients for BITCOINs?
- Get your BITCOIN software: <http://www.bitcoin.org/>
- [Read more](#)
- [Recent happenings](#) - Google BITCOIN for more blogs
- [Charts](#)
- [Where to buy](#) BITCOINs

Bob Hurt's Highest Recommendation

RUN, don't walk, to invest in and use BITCOINs for your commerce; encourage others to do so too. Sure, BITCOINs can fail to provide stable value, but for the immediate future they suffer from NO government intrusion, NO banking industry finagling, and NO issue authority mismanagement. Furthermore, if you buy and employ enough computing power, you can create your own BITCOINs. While that has an inflationary effect, it also faces a limit - the number of BITCOINs possibly in circulation. This guarantees increasing scarcity and therefore increasing demand as more people find out about and start using them.

Go back and review what has happened with QQ coins and you will see the power of virtual money not managed by government. Then realize that not even a corporation controls the issue of BITCOINs. Its value will remain driven by scarcity, increased demand, and freedom from governmental interference.

Also, for the time being, use of TOR and other anonymity tools (like PGP/GPG for email, encryption tools for your drives, tiny, easy-to-hide Micro SD memory chips embeddable in jewelry and common items like ball point pens) all make it easier for you to hide from government's prying eyes while you engage in commerce and hide your assets with relative secrecy and security.

Take note that every security tool stimulates greater efforts by hackers and government snoops to discover details of your secret, private world. So it will pay you to educate and arm yourself with knowledge and tools. Keep finding and using ever better ways to increase and retain your privacy, wealth, and power.

	<p>Bob Hurt bh Blog • Email f</p> <p>2460 Persian Drive #70 • Clearwater, FL 33763 USA +1 (727) 669-5511</p> <p>Donate to my Law Scholarship Fund Learn civil litigation with Jurisdictionary Subscribe to Lawmen E-Letter FREE Visit the Lawmen message Archive FREE</p>
--	--